

Before the
POSTAL REGULATORY COMMISSION
WASHINGTON, DC 20268-0001

Yantic Post Office
Yantic, Connecticut

Docket No. A2015-1

REPLY COMMENTS OF THE PUBLIC REPRESENTATIVE

(May 11, 2015)

The procedural schedule for this appeal established an April 16, 2015 deadline for initial briefs and an April 30, 2015 deadline for the Postal Service's answering brief.¹ The Public Representative elected to file her comments after these briefing deadlines in order to consider both parties' comments, in conjunction with the Administrative Record, prior to providing her assessment. After careful review of the aforementioned materials, the Public Representative concludes that the Postal Service's determination was not performed in accordance with Title 39 and recommends that the Commission remand the Postal Service's determination to close the Yantic Post Office.

I. INTRODUCTION

Procedural background. On March 16, 2015, the Commission docketed a petition for review of the Postal Service's Final Determination to close the Yantic Post Office.² The same day, the Commission issued an order instituting the current review proceedings, appointing a Public Representative, and establishing a procedural

¹ Notice and Order Accepting Appeal and Establishing Procedural Schedule, March 16, 2015 (Order No. 2392).

² See letter to the Commission dated and postmarked February 17, 2015, and signed by Debercy A. Hinchey, Mayor of the City of Norwich, Connecticut (Petitioner), and State Representative Kevin Ryan stating that they wish to appeal the decision to permanently close the Yantic Post Office (Petition). Petitioner also states that over the years, she has been served by the Yantic Post Office. See letter to the Commission dated March 6, 2015, and signed by Petitioner March 6, 2015.

schedule. Order No. 2392. Thereafter, on March 23, 2015, the Postal Service filed a copy of the administrative record concerning its Final Determination, Postal Service Docket Number 1388434-06389.³

Petitioner's position. The Petitioner's views were expressed in her Petition, her participant statement and accompanying letter,⁴ and her letter providing supplemental information on the Yantic Post Office closing.⁵ Petitioner contends that the closure of the Yantic Post Office has left a gap in postal services for the Yantic community and for the Stanley Israelite Business Park. Petition; Participant Statement. Petitioner also contends that the Postal Service did not allow for meaningful community input when it decided to change the administrative office from the Bozrah Post Office to the Norwich Post Office. Supplemental Letter. Petitioner further argues that the Yantic Post Office was self-supporting and was generating a profit. Participant Statement.

Postal Service's position. The Postal Services sees Petitioner's objections as raising three main issues (1) the effect on postal services; (2) the impact upon the community; and (3) the calculation of economic savings expected to result from discontinuing the Yantic Post Office.⁶ The Postal Service argues that it has (1) considered the effect of discontinuing the suspended Yantic Post Office on postal services provided to Yantic customers; (2) considered the effect of its decision to close the Yantic Post Office upon the community; and (3) considered the economic savings to the Postal Service resulting from the closing of the Yantic Post Office. Postal Service Comments at 10. The Postal Service concludes that its determination to close the Yantic Post Office should be affirmed. *Id.* at 11.

³ United States Postal Service Notice of Filing Administrative Record, March 23, 2015 (Administrative Record).

⁴ Participant Statement received from Mayor Debercy Hinchey, April 15, 2015 (Participant Statement).

⁵ See letter to the Commission filed April 16, 2015 (Supplemental Letter).

⁶ United States Postal Service Comments Regarding Appeal, April 30, 2015 (Postal Service Comments).

II. INADEQUACY OF THE POSTAL SERVICE'S FINAL DETERMINATION

The Public Representative has carefully reviewed both parties' comments and the Administrative Record, prior to providing her assessment. After careful review of the aforementioned materials, the Public Representative concludes that the Postal Service's determination was not performed in accordance with Title 39. First, it appears from the Administrative Record that the determination to close the Yantic Post Office may have been pre-determined. Second, the Postal Service did not properly solicit and consider meaningful community input. Third and finally, the Postal Service has not justified its savings from the closing of the Yantic Post Office.

A. Pre-determined decision in violation of Title 39

Title 39 U.S.C. § 404 requires the Postal Service afford the community an opportunity to present their views regarding a proposal to close a post office within their community. The statute states, in relevant part, states:

The Postal Service, prior to making a determination under subsection (a)(3) of this section as to the necessity for the closing or consolidation of any post office, shall ... ensure that such persons will have an opportunity to present their views."

39 U.S.C. § 404(d)(1).

It appears the Postal Service did not adhere to 39 U.S.C. § 404(d)(1), as it had already committed to closing the Yantic Post Office as early as February 7, 2012 (*i.e.*, the date the Yantic Post Office was placed in emergency suspension).

First, the Administrative Record indicates that the Yantic Post Office was closed indefinitely, under an emergency suspension, after Postal Service officials noted deficiencies in safety and security at the site. Administrative Record, Item No. 2 at 1. However, a security review conducted shortly after the suspension, on February 13, 2012, by the United States Postal Inspection Service noted only three safety issues, which could "be remedied at a minimal cost." *Id.* Item No. 5 at 1A. In addition, the City of Norwich Police Department advised on February 14, 2012, that after it had conducted

a review for “any incidents involving or pertaining to the US Post Office, Yantic, its personnel or reported acts of vandalism or larceny of the mail within the boundaries of the Yantic Post Office,” it found only one report of harassment, which it described as “an aberration and an isolated incident.” *Id.* Item No. 5 at 3. Moreover, the Administrative Record does not indicate any effort on the part of the Postal Service to address its perceived safety and security concerns.

Second, the Administrative Records indicates that the Postal Service’s initial plan of action was not to remedy the safety and security issues, but rather to solicit businesses to apply to become a Village Post Office. *Id.* Item No. 2 at 1; *see also id.* Item No. 10 at 1-A. This action tends to suggest that the Postal Service recognized that the loss of the Yantic Post Office would leave a gap in postal services in the community.

While the actual motivations of the Postal Service cannot be known, in this instance, it appears from the face of the Administrative Record that the Postal Service may have made its determination to close the Yantic Post Office in contravention of 39 U.S.C. § 404(d)(1). Because it is in the interest of the general public that matters like post office closings be conducted in a manner that the community perceives as fair, open, and transparent, the Postal Service should have ensured that its Administrative Record clearly reflected the reasons that the Yantic Post Office was closed. The Commission should consider remanding the determination for this reason.

B. Failure to properly solicit and consider meaningful community input

The Postal Service in making a determination to close a post office is required to consider the “effect of such closing ... on the community served by such post office.” The Administrative Record does not demonstrate that this requirement was meant.

First, the Final Determination includes a record of the Postal Service’s responses to customer concerns. *Id.* Item No. 35 at 2-7. In general, the document provides only generalized, stock responses to its customers concerns. *Id.* For example, one customer “is concerned that they would have to incur an additional expense to change station[e]ry.” *Id.* at 5. Another customer “expressed concern regarding the distance to

and from the Bozrah Post Office.” *Id.* Both concerns were addressed by the Postal Service, as follows:

A letter was send out to the entire Yantic Community based on the surveys and community meeting input that the Postal Service will provide customers one free form of home delivery at specific locations through CBU and/or Gang Rural Boxes services by the rural carrier who currently delivers within the Yantic Community. See Memo to Record attached to Item 20.

Id.

The Postal Service’s failure to provide substantive responses to many of its customers’ comments is evidence that the Postal Service had no intention of considering customer input for the purpose of determining if the closure of the Yantic Post Office was appropriate.

Second, the time that the Postal Service took to proceed to its Final Determination and the subsequent, material changes to the manner in which the Postal Service proposed ensuring adequate postal service are provided also call into question whether the Postal Service properly considered input from the community.⁷ Most crucially, is whether the public had an adequate opportunity to comment on the Postal Service’s plan to switch the community’s administrative office from the Bozrah Post Office to the Norwich Post Office. After the customer questionnaires and community meeting were held, the Postal Service switched the proposed administrative office from the Bozrah Post Office to the Norwich Post Office because the Bozrah Post Office was part of POSTPlan. *Id.* Item No. 14B at 2. This change may be especially critical to the Yantic community because the Postal Service initially responded to customer concerns about the loss of the Yantic Post Office by extending hours of service at the Bozrah Post Office, which would now have its hours reduced under POSTPlan. See Item No. 22. at 1, ¶¶ 1, 4, 7, 10. Moreover, the Final Determination references both the Bozrah and Norwich Post Offices, possibly making it unclear to postal customers which

⁷ The Yantic Post Office was closed February 7, 2012. *Id.* Item No. 1 at 1. The Final Determination was posted January 26, 2015, nearly three years later.

administrative office the Postal Service was proposing. *Id.* Item No. 35. At a minimum, this substantial, material change should have prompted the Postal Service to request new customer questionnaires and hold an additional community meeting.

The Public Representative submits that the procedures followed this case do not foster public confidence in the fairness of post office closings, and for that reason recommends that the Commission consider remanding the determination. Regardless of whether the Commission considers these deficiencies to warrant remand to the Postal Service, the Public Representative strongly recommends that the Postal Service be reminded that its goal in post office closing proceedings should be meaningful public participation.

C. Unjustifiable savings

The Postal Service estimates closing the Yantic Post Office will result in a total ten-year net present value savings of approximately \$757,855. *Id.* Item No. 8 at 1. While a small portion of this amount constitutes rent and utilities, the majority of these savings are attributable to the salary and related benefits of the former Yantic postmaster. *Id.* Item No. 8 at 1, Item No. 35 at 18. Moreover, the relocation costs

Although the Postal Service states in its Final Determination that the postmaster may be moved to another facility, it represents in its comments that the postmaster has been assigned to the Wauregan Post Office and will continue to work at that facility if the Yantic Post Office is permanently closed. *See id.* Item No. 2 at 1; Item No. 2B at 1; Item No. 35 at 18. It is unclear from the Administrative Record if the postmaster was transferred or promoted, and what salary the Postal Service is paying the employee at the Wauregan Post Office. Presumably the postmaster still receives a Postal Service salary (potentially a higher salary, if the employee were promoted). If the Postal Service is paying the former Yantic postmaster a salary from the budget of another facility, it is erroneous to consider it as savings from closure of the Yantic Post Office.

Unless the Postal Service is able to provide a justification for considering the postmaster salary and related benefits to be a bona fide “savings” resulting from the

closure of the Yantic Post Office, the actual savings projected by the Postal Service should be reduced by the amount of such salary and benefits. At this point, however, it appears that the actual economic impact provided in the Administrative Record was not measured accurately. Therefore, the Public Representative suggests that the Commission consider remanding the determination to the Postal Service for an explanation of the basis for its economic savings estimates.

III. CONCLUSION

The Public Representative concludes that the Postal Service's determination was not performed in accordance with Title 39 and recommends that the Commission remand the Postal Service's determination to close the Yantic Post Office for the reasons discussed above.

Respectfully submitted,

/s/ Elisabeth S. Shellan
Elisabeth S. Shellan
Public Representative

901 New York Ave. NW, Ste. 200
Washington, DC 20268-0001
202-789-6823; Fax 202-789-6891
elisabeth.shellan@prc.gov